

I. GENERAL PROVISIONS AND CONDITIONS

A. NATURE OF CONTRACT AND NAMES OF PARTIES. This is an agreement for the sale of clutch goods between Logan Clutch Corporation ("Logan Clutch") of 28855 Ranney Parkway, Westlake, Ohio 44145 and Purchaser. This agreement was drafted and executed in the City of Westlake, County of Cuyahoga, state of Ohio. Logan Clutch recognizes that Purchaser may desire to use its own acknowledgement form to reflect this agreement; however, any provisions in Purchaser's acknowledgement form which modify, conflict with or contradict any provisions of this agreement, shall not be binding between the parties. An acceptance of any of the goods covered by this agreement shall constitute an acceptance of these terms and conditions and shall constitute the entire contract between us.

B. INTEGRATED AGREEMENT. The approval and acceptance of Purchaser's order is based upon the written requirements provided by Purchaser. The parties agree and understand that no verbal alteration or agreement between Purchaser and any agent of Logan Clutch shall be binding upon Logan Clutch. Purchaser acknowledges that it has not relied upon any sample, model, description or exact technical specifications in placing its order. The parties intend the terms of this agreement to be the final, complete and exclusive expression of their agreement.

C. CANCELLATION CHARGES. Logan Clutch reserves the right to begin production of orders immediately unless specifically requested otherwise. Cancellation will involve cancellation charges for engineering and production work performed up to receipt of written cancellation provided by Purchaser to Logan Clutch. Purchaser agrees to pay these charges as a condition of sale.

D. VENUE (GOVERNING LAW) /RESOLUTION OF DISPUTES. The laws of the state of Ohio shall govern this agreement, the construction of its terms, and the interpretation of all rights and duties of Purchaser and Logan Clutch. Purchaser and Logan Clutch agree that they are amenable to suit in Ohio, and therefore, subject themselves to the jurisdiction of the state courts in Ohio by entering into this agreement.

II. SHIPMENT AND DELIVERY

Shipping dates represent Logan Clutch's best estimate and are approximate. Failure to meet these dates shall not constitute default by Logan Clutch nor shall Logan Clutch be liable for any failure to perform by reason of causes beyond its control. These causes include, but are not limited to, storms, floods, fires, accidents, wars, shortages of fuel, materials, transportation facilities, labor disputes and shortages, legislative action, judicial action and acts of God. In the event of any delay caused by such contingency, the date of delivery shall, at the request of the Logan Clutch, be deferred for a period equal to the time of loss by reason of the delay. In the event Logan Clutch's production is curtailed for any of the above reasons so that Logan Clutch cannot deliver the full amount released hereunder, Logan Clutch may allocate production deliveries upon various customers then under contract for similar goods. The allocation will be made in a commercially fair and reasonable manner. When allocation has been made Purchaser will be notified of the estimated quota made available.

III. PRICE QUOTES, TOTAL PRICE, PAYMENT, TITLE, INTEREST, COLLECTION COSTS AND FEES

A. PRICE QUOTES. The goods that are the subject matter of this contract and the quantity of goods to be delivered by Logan Clutch and received by Purchaser under this contract are all described in detail on page one (1) of the acknowledgement form, which is incorporated into this contract by reference. Price quotations on goods scheduled or forecasted for delivery beyond twelve (12) months from the date of the quotation are not binding upon Logan Clutch. All orders including those received on the basis of a quotation are subject to acceptance and acknowledgement by Logan Clutch. Prices quoted and acknowledged do not include federal, state or local taxes as applicable and these taxes will be added to the sales price when Logan Clutch is legally obligated to collect the taxes unless Purchaser provides Logan Clutch with a proper tax exemption certificate. All prices quoted and acknowledged are subject to correction for stenographic, typographic and clerical errors.

B. TOTAL PRICE & PAYMENT. The price for the goods that are the subject matter of this contract is set forth on page one (1) of the acknowledgement form, which is incorporated into this contract by reference. The terms of payment are net thirty (30) days from the date of invoice. Logan Clutch extends credit purely at its discretion and prorate payments from Purchaser are due as shipments are made. Logan Clutch ships all goods FOB Logan Clutch's plant and risk of loss passes to Purchaser upon delivery by Logan Clutch to a common carrier for shipment to Purchaser. Each shipment made shall be treated as a separate transaction. In the event of default by Purchaser, then Logan Clutch's decision to make further shipments shall not in any way affect its rights and remedies under law and shall not constitute a waiver of default by Logan Clutch. If in Logan Clutch's judgment, Purchaser's financial condition does not justify the terms of payment specified, Logan Clutch may at its option (1) cancel this contract, or (2) refuse to perform further under this contract unless Purchaser shall immediately pay for all goods which have been delivered. Goods returned for credit without Logan Clutch's written permission will not be accepted. Claims against Logan Clutch for shortages must be made in writing within 10 days after receipt of

shipment.

C. TITLE, INTEREST, COLLECTION COSTS & FEES. Purchaser agrees to pay a delinquency charge of 1½% per month (18% per annum) on any outstanding balances owed by Purchaser and not paid after sixty (60) days from invoice date until Purchaser renders payment in full. If Logan Clutch must pursue legal action against Purchaser to collect any amounts owed by Purchaser to Logan Clutch, Purchaser agrees to pay Logan Clutch's expenses, including reasonable attorneys' fees, incurred as a result of the legal action. Until Purchaser pays Logan Clutch the purchase price and all other sums due in full, Logan Clutch retains title to all goods shipped by Logan Clutch to Purchaser. Logan Clutch may, at its discretion, seek additional security from Purchaser on any amount due to Logan Clutch for goods shipped from Logan Clutch to Purchaser and thus Logan Clutch may retain a security interest in the goods and in all proceeds of the goods. Purchaser shall execute a financing statement(s) on request and irrevocably authorize Logan Clutch to execute and file same.

IV. WARRANTY

LIMITED WARRANTY: THE FOLLOWING WARRANTY FROM LOGAN CLUTCH IS EXPRESSED IN LIEU OF ANY OTHER WARRANTY, EXPRESS OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, AND ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF LOGAN CLUTCH. LOGAN CLUTCH NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO ASSUME FOR IT ANY OTHER LIABILITY IN CONNECTION WITH THE SALE OF THE GOODS OF LOGAN CLUTCH.

LOGAN CLUTCH WARRANTS THAT THE GOODS DESCRIBED IN THIS WARRANTY ARE FREE FROM DEFECTS IN WORKMANSHIP AND MATERIALS FOR A PERIOD OF 365 CALENDAR DAYS OR 2080 SHIFT HOURS AFTER INSTALLATION OR 365 DAYS AFTER SHIPMENT, WHICHEVER IS APPLICABLE OR OCCURS FIRST.

PURCHASER'S REMEDY IS SUBJECT TO AN INSPECTION AND DETERMINATION BY LOGAN CLUTCH AT LOGAN CLUTCH'S PLANT, THAT ANY ALLEGED DEFECT, MALFUNCTION OR OTHER FAILURE OF A LOGAN CLUTCH GOOD IS NOT THE RESULT OF MISUSE, IMPROPER APPLICATION OR INSTALLATION, TORSIONAL VIBRATION, SYSTEM FAILURE, ABUSE OR DAMAGE OCCURRING AFTER THE GOOD HAS LEFT THE CUSTODY OF LOGAN CLUTCH, ALL OF WHICH VOID THIS WARRANTY.

IMPORTANT: WARRANTIES ARE VOID ON ALL APPLICATIONS WHICH EXCEED LOGAN CLUTCH CATALOG SPECIFICATIONS FOR NEW APPLICATIONS. LOGAN CLUTCH ACCEPTS NO RESPONSIBILITY AND EXTENDS NO WARRANTY UNLESS IT HAS APPROVED THE APPLICATION IN ADVANCE.

IF PURCHASER SEEKS REJECTION OF GOODS DELIVERED FOR NONCONFORMITY WITH THIS CONTRACT AND/OR PACKING LIST DISCREPANCIES, PURCHASER MUST SEND WRITTEN NOTIFICATION TO LOGAN CLUTCH OF THE REJECTION OF THE GOODS WITHIN FIVE (5) DAYS AFTER DELIVERY OF THE GOODS TO THE PURCHASER. THIS NOTIFICATION SHALL STATE THE BASIS OF THE ALLEGED NONCONFORMITY AND A DESCRIPTION OF THE PORTION OF THE SHIPMENT REJECTED. FAILURE OF THE PURCHASER TO SEND WRITTEN NOTIFICATION TO LOGAN CLUTCH WITHIN FIVE (5) DAYS AFTER DELIVERY SHALL BE DEEMED CONCLUSIVE EVIDENCE THAT NO NONCONFORMITIES OR PACKING LIST DISCREPANCIES EXISTED AT THE TIME OF THE DELIVERY TO PURCHASER.

V. EXERCISE OF WARRANTY RIGHTS

In order to obtain performance of any obligation under this Warranty the following conditions must be met:

- The goods must be returned without disassembly after failure for inspection to Logan Clutch's plant within seven (7) days after failure. (Packaging of the returned goods shall conform to the same methods employed by Logan Clutch in shipping to Purchaser. Logan Clutch will not allow credit for returned goods damaged beyond the original defects, which damage was occasioned by carelessness of the customer or third parties, or improper packaging for return.)
- A complete written report containing the following information must accompany any request for adjustment:
 - Logan Clutch make, model and serial number
 - nature of defect;
 - installation date;
 - removal date;
 - plans illustrating installation and application;
 - specifications for part in intended application; and
 - electronic data log or event log.
- Logan Clutch has to determine that the goods are defective in either material or workmanship. If Logan Clutch inspects the goods and they are defective, Logan Clutch will replace or repair them without charge.

VI. LIABILITY LIMITATION; DISCLAIMER OF WARRANTY OF PATENT NON-INFRINGEMENT

Pursuant to Ohio Revised Code Sections 1302.29 and 1302.93 Logan

Clutch's liability for Purchaser's damages is limited in the event of a breach or repudiation of this contract or of any of the provisions by Logan Clutch.

PURCHASER SHALL NOT BE ENTITLED TO RECOVER INCIDENTAL OR CONSEQUENTIAL DAMAGES INCLUDING THOSE ARISING OUT OF OR UPON THE RIGHTS RAISED OUT OF A CLAIMED BREACH OF WARRANTY, BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY, WARRANTY FOR A PARTICULAR PURPOSE OR USE, OR ANY LOSSES, COSTS, EXPENSES, LIABILITIES AND DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF USE OR PROFITS, DAMAGES TO PROPERTY, ALL LIABILITIES OF PURCHASER TO ITS CUSTOMERS OR THIRD PERSONS, AND ALL OTHER SPECIAL OR CONSEQUENTIAL DAMAGES) WHETHER DIRECT OR INDIRECT, AND WHETHER RESULTING FROM, OR CONTRIBUTED TO BY THE DEFAULT OR NEGLIGENCE OF LOGAN CLUTCH, ITS AGENTS, EMPLOYEES, OR SUBCONTRACTORS, WHICH MIGHT BE CLAIMED AS THE RESULT OF THE USE, MISUSE OR FAILURE OF THE GOODS DELIVERED. Additionally, Purchaser shall not be entitled to recover any costs for materials expended or used, initiated at the request of Purchaser. Logan Clutch's liability on its warranty shall in no event exceed its cost of correcting the defects in the equipment sold or replacing the same with non-defective parts. LOGAN CLUTCH EXPRESSLY DISCLAIMS ANY WARRANTIES OF NON-INFRINGEMENT OF ITS GOODS UPON THE INTELLECTUAL PROPERTY RIGHTS OF ANY PARTY, INCLUDING WITHOUT LIMITATION WARRANTIES OF NON-INFRINGEMENT OF THE PATENTS, TRADEMARKS, COPYRIGHTS, SHOP RIGHTS, OR MORAL RIGHTS OF ANY THIRD PARTY.

VII. IDEMNIFICATION

Purchaser agrees to indemnify and hold harmless Logan Clutch from and against all claims for bodily injury, illness, death or property damage, liabilities, damages, losses and expenses, including attorney fees, arising: (1) from the use or misuse of the goods by a customer or any other party; or (2) out of the performance of this contract.

Purchaser further indemnifies and holds Logan Clutch harmless from and against all claims of infringement of the intellectual property rights, including without limitation the patent rights, trademarks, copyrights, shop rights, or moral rights, of any third party.

VIII. INTELLECTUAL PROPERTY RIGHTS

LOGAN CLUTCH SHALL RETAIN ALL INTELLECTUAL PROPERTY RIGHTS TO THE GOODS THAT ARE THE SUBJECT MATTER OF THIS AGREEMENT. LOGAN CLUTCH'S INTELLECTUAL PROPERTY RIGHTS INCLUDE, BUT ARE NOT LIMITED TO PATENT, TRADEMARK, TRADE NAME, AND COPYRIGHT PROTECTION RIGHTS. SPECIFICALLY, LOGAN CLUTCH RETAINS THE RIGHT TO FILE FOR PATENT PROTECTION UNDER 35 U.S.C. §1, ET SEQ. FOR THE GOODS WHICH ARE THE SUBJECT MATTER OF THIS AGREEMENT. LOGAN CLUTCH AND PURCHASER SHALL JOINTLY POSSESS ALL INTELLECTUAL PROPERTY RIGHTS FOR ANY GOODS MANUFACTURED BY PURCHASER THAT INCORPORATES THE GOODS PURCHASED FROM LOGAN CLUTCH.

IX. CONFIDENTIALITY

PURCHASER SHALL CONSIDER THE GOODS THAT ARE THE SUBJECT OF THIS AGREEMENT AND ALL SPECIFICATIONS, DRAWINGS, PROTOTYPE ARTICLES AND INFORMATION FURNISHED BY LOGAN CLUTCH OR PREPARED BY LOGAN CLUTCH FOR PURCHASER IN CONNECTION WITH THIS AGREEMENT CONFIDENTIAL. PURCHASER SHALL NOT DISCLOSE THIS INFORMATION TO ANY OTHER PERSON OR USE THE INFORMATION ITSELF FOR ANY PURPOSE OTHER THAN PERFORMING UNDER THIS AGREEMENT, UNLESS PURCHASER OBTAINS LOGAN CLUTCH'S WRITTEN PERMISSION TO DO SO. PURCHASER SHALL NOT DISCLOSE ANY INFORMATION RELATING TO THIS AGREEMENT WITHOUT LOGAN CLUTCH'S WRITTEN PERMISSION.

X. STATUTE OF LIMITATIONS

Pursuant to Ohio Revised Code Section 1302.98 the parties agree that an action for breach of this agreement, or any other cause of action arising from this agreement, must be commenced if at all within one year from when the cause of action accrued.

XI. EFFECT OF CONTRACT

A. CONTRACT BINDING. This contract shall be binding on and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives, successors, and assigns when permitted by this contract.

B. LEGAL CONSTRUCTION. In case any one or more of the provisions contained in this contract are held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other provision and this contract shall be construed as if the invalid, illegal, or unenforceable provision had never been contained in it.